

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	
SUPERIOR OFFSHORE INTERNATIONAL, INC.	§	CASE NO. 08-32590-H2-11
	§	(Chapter 11)
	§	
Debtor.	§	
H. MALCOLM LOVETT, JR., PLAN AGENT,	§	
	§	
Plaintiff,	§	
	§	
vs.	§	Adversary No. 09-3263
	§	
LOUIS E. SCHAEFER, JR., SCHAEFER HOLDINGS, LP and SCHAEFER HOLDINGS, GP, LLC,	§ § § § § §	
Defendants.	§	

**STIPULATION AND SETTLEMENT REGARDING
(I) CLAIMS AND INTERESTS OF LOUIS E. SCHAEFER, JR.,
SCHAEFER HOLDINGS, LP AND SCHAEFER HOLDINGS GP, LLC;
AND (II) CLAIMS ASSERTED IN ADVERSARY NO. 09-3263**

H. Malcolm Lovett, Jr., the Plan Agent (the “Plan Agent”) under the confirmed First Amended Joint Chapter 11 Plan of Liquidation (the “Plan”), and Louis E. Schaefer, Jr., Schaefer Holdings, LP and Schaefer Holdings GP, LLC (collectively, the “Schaefer Parties”) stipulate and agree as follows:

1. The Plan Agent and the Schaefer Parties shall file a joint stipulation of dismissal with prejudice of all claims asserted in Adversary No. 09-3263 with each party to bear their respective costs. Any and all claims against the Schaefer Parties for preferences and/or fraudulent transfers under §§ 547 and 548 of the Bankruptcy Code and the Texas Uniform Fraudulent Transfer Act owned by the estate are released.

2. Louis E. Schaefer, Jr. shall have an allowed general unsecured claim in the amount of \$20,000 (the “Schaefer Claim”). The Schaefer Claim will not accrue interest and will be paid within 5 business days of the filing of this stipulation and settlement with the Bankruptcy Court. All other proofs of claim held and/or filed by or on behalf of Louis E. Schaefer, Jr., Schaefer Holdings, LP and/or Schaefer Holdings, GP, LLC against the estate, including all claims for indemnity, are withdrawn with prejudice.

3. The Schaefer Parties and any and all affiliates of any of the Schaefer Parties waive all rights to distribution under the Plan on account of any equity interests in the Debtor.

4. Nothing in this stipulation and settlement affects any derivative claims, which the Post-Confirmation Equity Subcommittee has the right to pursue under the Plan, or any defenses, credits or offsets held by Louis E. Schaefer, Jr. to such claims.

5. Nothing in this stipulation and settlement affects any rights that Louis E. Schaefer, Jr. has against any third parties regarding insurance coverage.

Dated: January 22, 2010.

AGREED:


Counsel for H. Malcolm Lovett, Jr., Plan Agent

__See attached__
Counsel for Louis E. Schaefer, Jr.,
Schaefer Holdings, LP and
Schaefer Holdings GP, LLC

4. Nothing in this stipulation and settlement affects any derivative claims, which the Post-Confirmation Equity Subcommittee has the right to pursue under the Plan, or any defenses, credits or offsets held by Louis E. Schaefer, Jr. to such claims.

5. Nothing in this stipulation and settlement affects any rights that Louis E. Schaefer, Jr. has against any third parties regarding insurance coverage.

Dated: January 21, 2010.

AGREED:

Counsel for H. Malcolm Lovett, Jr., Plan Agent



Counsel for Louis E. Schaefer, Jr.,
Schaefer Holdings, LP and
Schaefer Holdings GP, LLC